

Memorandum

Date: June 30, 2004
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To: John L. Geesman, Presiding Member
Arthur H. Rosenfeld, Ph.D., Associate Member

From: California Energy Commission -- Bob Eller, Project Manager
1516 Ninth Street
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Subject: **ROSEVILLE ENERGY PARK (03-AFC-1) STATUS REPORT #5**

Pursuant to the Committee's February 2, 2004 Scheduling Order, the following is staff's fifth status report on the proposed Roseville Energy Park. Staff's report was delayed as we published the Preliminary Staff Assessment.

ISSUES

Staff filed its PSA on Friday, June 25, 2004, and identified concerns in the technical areas of air quality, biological resources, cultural resources, noise, and visual resources. Staff believes that nearly all of the issues identified in the PSA, with the exception of air quality and biological resources, can be resolved following discussion with the applicant at our upcoming PSA workshops in mid-July.

Air Quality

In the PSA, staff found that the REP operational emissions of NO_x have the potential, if left unmitigated, to cause or contribute to an impact on the state and federal ambient air quality ozone standards as a precursor to the downwind formation of ozone. Therefore, staff concluded that the REP operational emissions of NO_x, if left unmitigated, have the potential to cause a significant ambient air quality impact. RE will reduce emissions by providing ERCs for NO_x emissions, and thus reduce the potential for ozone formation. However, the current amounts of offsets proposed are insufficient to mitigate the project NO_x emissions, as proposed, to a level of insignificance. To comply with District Rule 502, RE must secure an additional 16.15 tons/year of NO_x ERCs.

The applicant, in Status Report #5, Roseville Electric (RE) states they are "currently reconfiguring their operating profile to reduce emissions to a level sufficient to be offset by RE's current offset package. The new operating profile will be submitted with RE's comments on the PDOC...." The District has extended the filing date for comments on the PDOC until July 9, 2004.

Staff looks forward to receiving the applicant's proposal. However, we are concerned that this proposal could delay the Final Determination of Compliance (FDOC) which, by the Committee's schedule, would be due at the end of July.

Biological Resources

Staff's PSA identifies the need for a complete wetland delineation which must be accepted by the U.S. Army Corps of Engineers (USACE) prior to the applicant's submittal of a 404 permit application which initiates consultation between the USACE and U.S. Fish and Wildlife Service (USFWS).

In Status Report #5, the applicant states they have completed the biological assessment and have reconfigured portions of the construction laydown area to minimize impacts to wetlands, vernal pool fairy shrimp habitat, and Swainson's Hawk foraging habitat. RE also indicates they will be filing a modified construction laydown area proposal with its comments on the PSA.

Based on the information in Status Report #5, staff is unsure whether the "biological assessment" referenced by the applicant includes the wetland delineation and, if so, whether it has been accepted by the USACE. Staff will work with the applicant to resolve these questions at the PSA workshops. We would request, however, that the applicant provide any information regarding project changes prior to the workshop so that staff has the opportunity to review the information prior to the PSA workshops.

Remaining Issues

As indicated in our introduction to this report, staff's PSA also identified issues in the areas of cultural resources, noise, and visual resources. Staff believes that these issues can be resolved in staff's FSA following discussion at the PSA Workshops.

SCHEDULE

Based on a day-for-day slip of the Committee's schedule for this proceeding, staff will endeavor to provide its FSA in late August. This is predicated on the applicant filing, by July 25, final determinations from all local, state, and federal agencies, including the FDOC from Placer County APCD, a wetland delineation accepted by the USACE, and a biological assessment accepted as complete by USFWS (impacts and mitigation identified). Staff will update the Committee on the PSA workshops and project status in Status Report #6 on July 28, 2004.